GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:4121
ANSWERED ON:18.08.2000
RESERVATION OF POSTS FOR SCS/STS IN PSUS
RAMDAS ATHAWALE

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the reservation for Scheduled Castes and Scheduled Tribes is provided in Central Public Sector Undertakings;

(b) if so, the details thereof;

(c) whether any proposal is under consideration to continue the reservation even after decrease in Government equity/share capital in Central Government owned Public Sector Undertakings;

(d) if so, the details thereof; and

(e) the progress made in this regard so far?

Answer

MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA)

(a) & (b) Reservation is provided to Scheduled Castes(SCs) and Scheduled Tribes(STs) in Central Public Sector Undertakings(CPSUs). In the case of All-India recruitment through open competition, 15% reservation is provided to SCs and 7.5% to STs. Percentage of reservation for recruitment made locally for Group C and D posts will vary from State to State and Union Territory to Union Territory(UT) depending upon the percentage of SC/ST population in the respective State/UT.Reservation is also provided in promotion to the extent of 15% for SC and 7.5% for ST subject to certain conditions.

(c) to (e) Decrease in Government equity/share capital in Central Govt. owned Public Sector Undertakings per se will not alter the position as long as they retain the character of `State` as defined in Article 12 of the Constitution. Detailed guidelines have been issued with regard to policy in respect of SC/ST employees in the event of restructuring/streamlining of PSUs vide OM dated 16.3.1994, copy of which is at Annexure.

Annexure

No.18(8)92-GM Government of India Ministry of Industry Department of Public Enterprises

Block No.14, CGO Complex, Lodi Road, New Delhi-110003

Dated the 16th March, 1994

OFFICE MEMORANDUM

Subject: Restructuring/Streamlining of PSUs - Policy in respect of SC/ST employees.

1.0 The following broad guidelines in respect of SC/ST employees could be adopted while restructuring /streamlining public sector undertakings:-

(i) Where a PSU is to be restructured through the BIFR or otherwise, recourse to the National Renewal Fund may have to be taken for retraining and re-deployment for all categories of employees likely to be affected as a consequence of such restructuring and SC/ST employees should be the first charge.

(ii) Where there is partial restructuring, the ratio of representation as was existing in the PSU before the commencement of such partial restructuring should be maintained if it was less than the prescribed minimum ratio of representation.

(iii) In case of complete restructuring, it should be possible to negotiate a suitable package with the new owners so that they may not retrench workers. If, however, rationalization of work force is an essential part of the restructuring package, the principle of proportional representation spelt out in the preceding paragraph may be the agreed binding guiding principle.

(iv) Training and upgradation of skills of SC/ST workers is crucial, especially for opening up job opportunities for them. These aspects need special emphasis in the plan programmes but cannot be a substitute for giving real access to available job opportunities where

a measure of reservation may have to be continued for a reasonable period of time.

(v) While implementing the restructuring and rehabilitation plans there should be adequate leverage to ensure that rationalization of work force is minimal and in respect of SC/STs already employed by the PSU such rationalsation does not reduce SC/ST employment below the current ratios of representation, in the concerned PSU.

(vi) In case of complete restructuring, an obligation could be placed on the new owners for protection of employment of SC/STs including the acceptance of policy of reservation of jobs for SC/STs as has been done in the case of IISCO.

(vii) In the private sector, per se, where such reservation policies are not in vogue, it may be desirable to pursuade entrepreneurs that it is very much in their interest to follow an enlightened policy of making available adequate job opportunities for SCs/STs.

2.0 This Department may be kept informed of the follow-up action taken in this regard.